

May 19, 1975

SENATOR F. LEWIS: I just have two or three other questions for Senator Warner. Senator Warner, does your 12% include the \$15 million for state aid?

SENATOR WARNER: It includes the \$15 million, Senator Lewis, which is making up as a part of the \$55 million which is this year because of the loss of the ability to use federal revenue sharing. It includes that \$15 million. It does not include next years ...

SENATOR F. LEWIS: No.

SENATOR WARNER: It does not include next years \$15 million because that isn't the question before us now. That question is one that will be included in the appropriations for next year and will be considered in the 1976 rates.

SENATOR F. LEWIS: So you're only asking that we take care of the 12% rate till July, which is the end of this year?

SENATOR WARNER: No, the calendar year, Senator Lewis, runs till December 31st. The 12% is adequate for that.

SENATOR F. LEWIS: Senator Warner, doesn't the collection on the distribution of that \$15 million for next year start in July?

SENATOR WARNER: No sir.

SENATOR F. LEWIS: Well it starts in September rather.

SENATOR WARNER: Not the collection.

SENATOR F. LEWIS: I mean the expenditure.

SENATOR WARNER: The expenditure? That is true of all of them, right.

SENATOR F. LEWIS: So the \$15 million has to be accounted for, at least 6 months of it during this calendar year.

SENATOR WARNER: That's true with every appropriation we make.

SENATOR F. LEWIS: Unless you would double it for the following year?

SENATOR WARNER: No, it won't have that effect, Senator Lewis.

SENATOR F. LEWIS: Senator Warner, now then you explain that to me. You're collecting \$15 million. If 1 1/2% on the income tax will collect it over a 12 month period, how long does it take to collect that same \$15 million over a 6 month period?

SENATOR WARNER: That's an oversimplification, Senator Lewis. That's not the way it works.

SENATOR F. LEWIS: Now why wouldn't that be the way it works?